

## **7 REQUEST FOR QUOTATION SMALL PURCHASES - INFORMAL QUOTES**

Purchases of property or services costing less than \$50,000 are considered to be “small purchases” and are purchased or procured utilizing informal quotation methods. Costs are determined based on the cost of the one-time purchase of property or the total cost of a contract for services, including renewal or extension periods. The splitting of requirements to avoid bidding procedures is not permitted (*I.C. 59-1026*). For more detail information see the publication *Small Purchasing Guide*, available on the purchasing website.

### **7.1 Methods**

Informal solicitations are called *Request For Quotations* and may be obtained by any of the following ways:

- in writing (written RFQ)
- verbally
- electronically (Internet)
- facsimile
- telephone

Verbal quotations should be recorded for future evaluation (who did you talk to, name, business, phone number, price quoted, etc.).

### **7.2 Property or Services Less Than \$5,000**

For purchases expected to cost less than \$5,000 no competitive bidding is required. Agencies may make purchases as they see fit, in accordance with good business practice and in the best interests of the state. All agencies have authority to make purchases under \$5,000. Any procedures and/or rules regarding purchases under \$5,000 are determined by the individual agency.

### **7.3 Property or Services Greater Than \$5,000**

All purchases over \$5,000 require a minimum of three (3) competitive solicitations from vendors with a significant Idaho economic presence as defined by Idaho Code and require that the agency have some level of delegated purchasing authority (*I.C. 67-5718(3)*). Agencies may enter into multiple year contracts for property or services provided that the total cost, including any extensions or renewals, does not exceed their delegated authority. Agencies without delegated authority must send all requests expecting to cost over \$5,000

or any amount exceeding their authority limits to the Division of Purchasing for processing.

## **7.4 Professional, Consultant and Information Technology Services Less Than \$50,000**

Professional, consultant and information technology services, where the services are reasonably expected to cost fifty thousand dollars (\$50,000) or less through a fixed price/not to exceed price contract for a term not exceeding one (1) year, may be acquired as each agency sees fit, in accordance with good business practice and in the best interest of the state.

## **7.5 Division of Purchasing Rules Regarding Small Purchases**

### **IDAPA 38.05.01.044. SMALL PURCHASES**

**01. General.** Small purchases are those purchases or procurements expected to cost fifty thousand dollars (\$50,000) or less. Costs are determined based on the following:

- a. One-time purchases of property; or
- b. Total cost of a contract for services, including renewal or extension periods.

**02. Splitting Of Requirements.** Acquisition requirements shall not be artificially divided to avoid bid statutes, rules or policies.

**03. Procedure.** Unless impractical or impossible and documented in the file, these small purchase procedures require the acquisition to be publicly posted. Except as otherwise provided in this rule, no less than three (3) vendors having a significant Idaho presence as defined by *Section 67-2349, Idaho Code*, shall be solicited to submit quotations. Award shall be made to the responsible and responsive bidder offering the lowest acceptable quotation. The purchasing file will be fully documented for unacceptable quotations. Should it be impractical or impossible to solicit three (3) vendors, the file shall be fully documented and every effort should still be made to obtain the most favorable terms, conditions and price possible.

**04. Form Of Request For Quotation.** Unless otherwise prohibited by the buyer, the request for quotation and the quotation may be written, oral, electronic, telephonic or facsimile.

**05. Quoting Time.** The quoting time shall be determined by the buyer and should provide sufficient time for the vendor to prepare and return a quotation. The amount of time shall take into consideration such factors as complexity, urgency, availability of property and the number and location of vendors.

**06. Statewide Contracts.** Property available under single agency or statewide contracts shall be purchased under such contracts and not as a small purchase under this rule unless otherwise authorized by the administrator.

**07. Professional, Consultant and Information Technology Services.**

Professional, consultant and information technology services acquired under this rule, where the services are reasonably expected to cost fifty thousand dollars (\$50,000) or less through a fixed price/not to exceed price contract for a term not exceeding one (1) year, may be acquired as each agency sees fit, in accordance with good business practice and in the best interest of the state.

**08. Purchases In Amounts Less Than Five Thousand Dollars.** If the property to be acquired is expected to cost less than five thousand dollars (\$5,000), it may be acquired as each agency sees fit, in accordance with good business practice and in the best interest of the state.

## **7.6 Statute Regarding Splitting of Requirements**

**59-1026. SPLITTING OR SEPARATING PURCHASES OR WORK PROJECTS TO EVADE COMPETITIVE BIDDING -- CIVIL PENALTIES.** It is a violation of this section for any public officer or officers of the state, a political subdivision or a city in this state to split or separate purchases or work projects for the purpose of evading any laws of the state which require competitive bidding for such purchases or work projects when the amount of the anticipated purchase or work project exceeds a specific dollar amount. Any public officer or officers violating this section shall be liable for civil penalties not to exceed five hundred dollars (\$500) for each offense.